

# Senate File 2011 - Introduced

SENATE FILE \_\_\_\_\_  
BY PUTNEY

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act requiring proof of financial liability coverage upon  
2 application for a certificate of title and providing  
3 penalties.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 5171XS 82  
6 md/nh/5

PAG LIN

1 1 Section 1. Section 321.20, subsection 1, Code 2007, is  
1 2 amended by adding the following new paragraph:  
1 3 NEW PARAGRAPH. g. A statement of the applicant certifying  
1 4 that financial liability coverage is in effect for the motor  
1 5 vehicle as required by section 321.21. The applicant shall  
1 6 also provide a description of the financial liability coverage  
1 7 as noted on the proof of financial liability coverage card  
1 8 issued for the motor vehicle.

1 9 Sec. 2. NEW SECTION. 321.21 PROOF OF FINANCIAL LIABILITY  
1 10 COVERAGE REQUIRED FOR ISSUANCE OF MOTOR VEHICLE TITLE ==  
1 11 PENALTIES.

1 12 1. A motor vehicle shall not be titled unless financial  
1 13 liability coverage is in effect for the motor vehicle at the  
1 14 time the application for the certificate of title is  
1 15 submitted. This section shall apply to all certificates of  
1 16 title issued by the department or by a county treasurer,  
1 17 including but not limited to amended, modified, or replacement  
1 18 certificates of title.

1 19 2. The owner of the motor vehicle shall provide a  
1 20 description of the financial liability coverage as noted on  
1 21 the proof of financial liability coverage card issued for the  
1 22 motor vehicle as provided in section 321.20, subsection 1.  
1 23 The department may require that the owner's insurance company  
1 24 verify that the financial liability coverage is in effect for  
1 25 the motor vehicle at the time of application for certificate  
1 26 of title.

1 27 3. A person who falsely certifies as to financial  
1 28 liability coverage required under this section commits a  
1 29 simple misdemeanor.

1 30 Sec. 3. Section 321.30, subsection 1, Code Supplement  
1 31 2007, is amended by adding the following new paragraph:  
1 32 NEW PARAGRAPH. m. If the owner does not provide  
1 33 satisfactory proof that financial liability coverage is in  
1 34 effect for the motor vehicle as required by section 321.21.

### EXPLANATION

2 1 This bill requires an applicant for a motor vehicle  
2 2 certificate of title to provide proof that financial liability  
2 3 coverage is in effect for the motor vehicle at the time the  
2 4 application for certificate of title is submitted. The  
2 5 applicant must also provide a description of the financial  
2 6 liability coverage as noted on the proof of financial  
2 7 liability coverage card issued for the motor vehicle. The  
2 8 financial liability coverage must meet the definitional  
2 9 requirements under Code section 321.1, subsection 24B.

2 10 The department of transportation or the county treasurer  
2 11 shall refuse to issue the certificate of title if proof of  
2 12 financial liability coverage is insufficient in the  
2 13 application. The financial liability coverage requirement of  
2 14 new Code section 321.21 applies to all certificates of title  
2 15 issued by the department or by a county treasurer, including  
2 16 but not limited to amended, modified, or replacement  
2 17 certificates of title.

2 18 The bill provides that the owner of a motor vehicle commits  
2 19 a simple misdemeanor if the owner falsely certifies as to

2 20 financial liability coverage required for the issuance of a  
2 21 certificate of title. A simple misdemeanor is punishable by  
2 22 confinement for no more than 30 days and a fine of at least  
2 23 \$65 but not more than \$625, or both.  
2 24 LSB 5171XS 82  
2 25 md/nh/5